

March 27, 2006
Seven o'clock P.M.
North Little Rock City Hall Council Chambers
300 Main Street
North Little Rock, Arkansas

Mayor Hays asked council members to take their seats. Alderman Gipson provided the invocation, which was followed by the pledge of allegiance to the flag led by Alderman Bryant.

Mayor Hays advised the city retained R. W. Beck and Company to consult on the purchase of power in the future and invited Mr. Joe Gertsch, North Little Rock Electric Department Director to come forward and make a presentation to council members regarding alternatives. Wholesale power prices are up due to coal delivery problems, curtailment of base load coal generation, increased demand for natural gas generation and hurricane damage to Gulf natural gas supplies. Other problems include a train derailment in May, 2005, which disrupted coal supplies (over 100 miles of track in need of repairs, which should be completed by July 2006).

Upon the arrival of Alderman Hight, the honorable Mayor PATRICK HENRY HAYS called this meeting of the North Little Rock City Council (scheduled for 7:00 p.m. this date) to order. The roll having been called, and the following Aldermen answered to their names: MARTIN GIPSON, NEIL BRYANT, OLEN THOMAS, JOHN PARKER, and CHARLIE HIGHT, a quorum was declared (5/0). Alderwoman LINDA ROBINSON, and Aldermen GARY BERRY and MURRY WITCHER were absent. City Clerk Diane Whitbey and Deputy City Attorney Jason Carter were also present.

Mayor Hays proceeded with the power presentation. Various charts illustrated Coal Stocks at Electric Power Plants from 2001 through 2005, and delivery affects in Arkansas (see article from the *Wall Street Journal* provided). Natural gas pricing was discussed along with Megawatt Daily forwards. A chart was provided which reflected costs (per megawatt) at \$69.25 for April 2006, \$70.75 for January/February 2007, \$73.75 for the year 2007, and \$78.75 for 2008. Mr. Paul Arsuaga, with R. W. Beck reviewed the Request for Proposals (RFP) preliminary results based on responses received through March 13, 2006, and questions regarding proposals which have not been submitted. The process included the price and non-price, competitiveness, flexibility, fuel type, firm supply, technology, environmental impact and experience. The proposals received include non-binding indicative prices, full requirements and unit purchases, fixed pricing or dependent on actual gas prices, energy only rate or demand and energy rates and terms of 3 to 5 years. Mr. Arsuaga referenced a summary of proposals, assumptions, and projected power costs. The next steps were discussed including requesting clarification from bidders, submitting transmission request for certain resources, update power cost, prepare sensitivity cases, rank proposals, identify the short list and finally commencing with negotiations and contract approvals. A

wholesale to retail rate comparison was provided. The residential, commercial, and industrial rate projections for North Little Rock customers were reviewed. Mayor Hays scheduled a public hearing regarding this issue for 5:30 p.m. on Monday, April 10, 2006.

On the blanket motion of Alderman Hight and seconded by Alderman Bryant, and by consent of all members present, communications # 1, 2, 5 and 6 were accepted and filed (5/0).

1. Sharon Tedford, Mayor's Office memorandum re: application for new on premises Retail Beer Permit for Ricky's Pit Bar-B-Que, 11901 Maumelle Boulevard by Bonnie Elaine Smith; and, application for Change of Manager for Snappy Mart #14, 418 East Broadway by Iris A. St.Clair.

2. Sharon Tedford, Mayor's Office memorandum re: application for Sunday Alcoholic Beverage Sales - Restaurant Mixed Drink permit for Krome Billiards, 2710 Pike Avenue by Sheri L. Elliott.

5. Jim Redman, Executive Director, North Little Rock Housing Authority re: March 6, 2006, election of Mr. Oliver W. Dillingham to complete term of Ms. Belinda Snow on Board of Commissioners.

6. Darren Peters, Chairman Central Arkansas Transit Authority Board of Directors re: update on activities undertaken in 2006.

On the motion of Alderman Gipson and seconded by Alderman Bryant, and by consent of all members present, communication #3 was read by title only, accepted and filed (5/0).

3. Bubba Lloyd, 313 Skyline Drive, Ballot Title and Petition form for Referendum for or against repealing Ordinance No. 7803 increasing electric rates for North Little Rock Electric customers.

On the motion of Alderman Thomas and seconded by Alderman Gipson, and by consent of all members present, communication #4 was read, accepted and filed (5/0).

4. W. A. Anderson (refiling communication accepted and filed 3-16-06) and letter from Rebecca L. Burroughs, re: treatment by towing service employees.

Mayor Hays discussed communication #3 and increased power costs and advised he had asked Mr. Bob Sisson, Finance Director to review the budget in an effort to cut the city's dependence on Electric revenues. Mayor Hays requested a voice vote to amend Ordinance No. 7803 to change the date from April 1, 2006, to May 1, 2006. Alderman Thomas made a motion to change the date from April 1, 2006, to December 2006, which was ruled out of order due to the previous pending motion. Alderman Gipson said summer rates are 10 percent less than Entergy rates and winter rates are about the same. Residential customers are only about 36 percent of the total, with the remainder going to commercial, industrial, street lights, etc. and said the current rate schedule is unfair to residential customers. On the motion of Alderman Gipson and seconded by Alderman Bryant, and by consent of all members present, with the exception of

Alderman Thomas who voted no, and Mayor Hays who voted yes, the motion carried (5/1). Mr. Carter was instructed to file legislation for the April 10th meeting regarding the same. Alderman Thomas withdrew his previous motion. Mayor Hays asked Mr. Gertsch to provide information to modify the rate structure for North Little Rock customers making it more fair and equitable.

On the motion of Alderman Thomas and seconded by Alderman Hight, and by consent of all members present, the minutes from a regular council meeting held on March 16, 2006, were approved, accepted and filed as prepared by the City Clerk (5/0).

UNFINISHED BUSINESS

None.

NEW BUSINESS

R-06-44 (RESOLUTION NO. 6917 - MAYOR HAYS)

A RESOLUTION APPOINTING CARMEN FERNANDEZ TO THE UNEXPIRED TERM OF BOB MAJOR ON THE CENTRAL ARKANSAS TRANSIT AUTHORITY BOARD; AND FOR OTHER PURPOSES, was read. A motion to adopt was made by Alderman Gipson and seconded by Alderman Bryant. On the motion of Alderman Bryant and seconded by Alderman Hight, and by consent of all members present, the resolution was amended as follows: *attach personal information sheet* (5/0). On the motion of Alderman Hight and seconded by Alderman Bryant, and by consent of all members present, the resolution was adopted as amended (5/0).

R-06-45 (RESOLUTION NO. 6918 - MAYOR HAYS)

A RESOLUTION AUTHORIZING THE EXTENSION OF WASTE WATER UTILITY SERVICES TO CERTAIN PROPERTY AS DESCRIBED HEREIN AND LOCATED IN CAMP ROBINSON; AND FOR OTHER PURPOSES, was read. On the motion of Alderman Gipson and seconded by Alderman Bryant, and by consent of all members present, the resolution was adopted (5/0).

R-06-46 (RESOLUTION NO. 6919 - MAYOR HAYS)

A RESOLUTION ACCEPTING THE LOW BID OF H & E EQUIPMENT SERVICES, INC. FOR A WIDE TRACK CRAWLER DOZER FOR THE NORTH LITTLE ROCK STREET DEPARTMENT; AND FOR OTHER PURPOSES, was read. On the motion of Alderman Hight and seconded by Alderman Bryant, and by consent of all members present, the resolution was adopted (5/0).

O-06-30 (ORDINANCE NO. 7806 - MAYOR HAYS)

AN ORDINANCE WAIVING FORMAL BIDDING REQUIREMENTS FOR THE PURCHASE OF REPLACEMENT TURBINE SEALS FOR THE HYDRO PLANT; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read. On the motion of Alderman Gipson and seconded by Alderman Thomas, and by consent of all members present, including Mayor Hays, the rules were suspended and the ordinance

was placed on its second reading (6/0). On the motion of Alderman Gipson and seconded by Alderman Hight, and by consent of all members present, including Mayor Hays, the rules were again suspended and the ordinance was placed on its third and final reading (6/0). The roll having been called, and all members present having voted in the affirmative, the ordinance was adopted (5/0). Emergency clause adopted (6/0) including the Mayor who voted yes.

O-06-31 (ORDINANCE NO. 7807 - MAYOR HAYS)

AN ORDINANCE WAIVING FORMAL BIDDING REQUIREMENTS FOR THE PURCHASE OF REPLACEMENT PARTS FOR THE HYDRO PLANT;

DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read. On the motion of Alderman Thomas and seconded by Alderman Hight, and by consent of all members present, including Mayor Hays, the rules were suspended and the ordinance was placed on its second reading (6/0). On the motion of Alderman Gipson and seconded by Alderman Bryant, and by consent of all members present, including Mayor Hays, the rules were again suspended and the ordinance was placed on its third and final reading (6/0). The roll having been called, and all members present having voted in the affirmative, the ordinance was adopted (5/0). Emergency clause adopted (6/0) including the Mayor who voted yes.

O-06-32

AN ORDINANCE AMENDING SECTION 10-201 OF THE NORTH LITTLE ROCK MUNICIPAL CODE RELATING TO DEFINITIONS OF ANIMAL

ESTABLISHMENTS; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read. On the motion of Alderman Gipson and seconded by Alderman Hight, and by consent of all members present, including Mayor Hays, the rules were suspended and the ordinance was placed on its second reading (6/0). The ordinance was read a second time and held at the request of the sponsor, Mayor Hays.

O-06-33 (ORDINANCE NO. 7808 - MAYOR HAYS)

AN ORDINANCE TO RECLASSIFY CERTAIN PROPERTY LOCATED ALONG BATESVILLE PIKE NORTH OF THE AIRPORT IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS, FROM THE PRESENT I-2 TO R-1, R-4 AND C-3 CLASSIFICATION BY AMENDING ORDINANCE NO. 7697 OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS; DECLARING AN EMERGENCY; AND FOR

OTHER PURPOSES, was read (applicant: James W. Rodgers). On the motion of Alderman Gipson and seconded by Alderman Hight, and by consent of all members present, including Mayor Hays, the rules were suspended and the ordinance was placed on its second reading (6/0). On the motion of Alderman Gipson and seconded by Alderman Hight, and by consent of all members present, including Mayor Hays, the rules were again suspended and the ordinance was placed on its third and final reading (6/0). The ordinance was read a third and final time. Alderman Hight asked about negative votes at the Planning Commission meeting. Concerns were regarding use in the C-3 area. Mayor Hays discussed improving the road in the area. Alderman Gipson

suggested ways to improve the road. Mayor Hays said a roadway swap with the Arkansas State Highway Department could be considered. Alderman Bryant said he was concerned with development of the area without substantial changes and/or improvements first. On the motion of Alderman Gipson and seconded by Alderman Hight, and the roll having been called, and all members present having voted in the affirmative, with the exception of Alderman Bryant who voted no, and Mayor Hays having voted yes, the ordinance was adopted (5/1). On the emergency clause, all members present voted in the affirmative, with the exception of Alderman Bryant who voted no, the emergency clause failed (4/1).

O-06-34

AN ORDINANCE GRANTING A CONDITIONAL USE FOR A DAY CARE CENTER IN A C-3 ZONE FOR CERTAIN REAL PROPERTY LOCATED AT 2014 PIKE AVENUE IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS;

DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read

(applicant: Wreva Williams). On the motion of Alderman Gipson and seconded by Alderman Parker, and by consent of all members present, and Mayor Hays, the rules were suspended and the ordinance was placed on its second reading (6/0). Alderman Gipson said this was a day care center which had been closed for 6 months. Another special use permit is required. On the motion of Alderman Gipson and seconded by Alderman Hight, and by consent of all members present, with the exception of Alderman Bryant who voted no, and Mayor Hays voted yes, the ordinance was amended as follows:: *new Section 5. THAT AN OCCUPANCY PERMIT WILL NOT BE ISSUED UNTIL ALL REQUIREMENTS ARE MET* (5/1). Alderman Bryant said day care centers should meet requirements before coming before the council and should have there permits in hand. Alderman Hight said Alderman Gipson's motion required a visual inspection. Alderman Gipson said the applicant cannot get a state permit without the proper zoning in effect. The ordinance was read a second time and held at the request of the sponsor, Alderman Gipson.

O-06-35 (ORDINANCE NO. 7809 - ALDERMAN PARKER)

AN ORDINANCE ALLOWING A SPECIAL USE FOR EXPANSION OF AN EXISTING SATELLITE UPLINK TRANSMITTER FACILITY IN AN R-3 ZONE FOR CERTAIN REAL PROPERTY LOCATED AT 4615 PIKE AVENUE IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS; DECLARING AN EMERGENCY;

AND FOR OTHER PURPOSES, was read (applicant: James Newton). On the motion of Alderman Parker and seconded by Alderman Thomas, and by consent of all members present, including Mayor Hays, the rules were suspended and the ordinance was placed on its second reading (6/0). On the motion of Alderman Gipson and seconded by Alderman Bryant, and by consent of all members present, and Mayor Hays, the rules were again suspended and the ordinance was placed on its third and final reading (6/0). The roll having been called, and all members present having voted in the affirmative, the ordinance was adopted (5/0). Emergency clause adopted (6/0) including Mayor Hays who voted yes.

PUBLIC COMMENTS-----

Mayor Hays discussed a meeting regarding the Baseball Park which would amend the agreement with the Arkansas Travelers to include repayment of a bond issue to fund the remainder of expenses related to building the park. The construction manager will guarantee \$27.4 million on "hard construction" costs. The additional \$4.4 million would be used to purchase items including the scoreboard. Mr. W. A. Anderson is Rebecca Burroughs grandfather. Mr. Anderson referenced communication #4 regarding his granddaughter's dealings with Phillips Brothers Wrecker Service following a traffic accident in February, 2006. Mr. Anderson said he paid \$414.20 so she could retrieve her clothing from her vehicle. Several of her dresses were ruined when debris from the accident was thrown into the back seat on top of her clothes. Mr. Anderson referenced a contract Phillips Brothers has with the City of North Little Rock and cited charges on the invoice which totaled \$414.20 which included charges for a wrecker, dolly, winch, security, etc. Mr. Anderson said the charges are a violation of the contract with the city. The fees are difficult for people of limited income and the elderly. Mayor Hays asked Mr. Carter to review the contract and advise the council. Mr. Jim Ard said he gave Mr. Anderson a tour of the city. Mr. Ard said the invoice from the wrecker company includes language regarding legal action and fees related to employees of the company. Mr. Ard attended the Parks Commission meeting and advised Mr. Albright has requested a permit to have beer in Burns Park. He only provided two officers last time. Mr. Ard thanked Alderman Bryant for speaking for the citizens during the meeting. Mr. Ard said he would put money back for increased rates but didn't know if everyone else would. Mayor Hays scheduled a public hearing to be held on Monday, April 10, 2006, at 5:30 p.m. to give the public an opportunity to speak with regard to electric rates and invited council members to attend.

There being no further business to come before the Council, and on the motion of Alderman Gipson and seconded by Alderman Bryant, and by consent of all members present, the meeting adjourned at 9:10 p.m. (5/0), until the next regular meeting to be held on Monday, April 10, 2006, at seven o'clock p.m. in the City Council Chamber in City Hall, located at 300 Main Street, North Little Rock, Arkansas.

APPROVED: MAYOR PATRICK HENRY HAYS

ATTEST: DIANE WHITBEY, CITY CLERK